

INSTRUCTIONS FOR CONTROL OF GRADE ESCALATION
IN THE GENERAL SCHEDULE

I Background

OMB Bulletin No. 72-4 requires a decrease in the average grade of on-duty employees in an effort to reverse the grade escalation in government. It further states that although there has been an overall decrease of 12,000 employees between 1969 and 1970 the number of employees at GS-11 and above has increased by 14,600. The Agency has

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II Requirement

The Agency must effect a decrease in the average grade of on-duty employees one tenth of a grade in each of the fiscal years 1972 and 1973.

III Responsibilities

The Director of the Office of Planning, Programming and Budgeting will report to the OMB the Agency on-duty figures for 30 June 1971 and the computed average grade as of that date. This report will be provided by 23 August 1971 as prescribed by the Circular.

Agency plans for achieving the required reduction in average grade will be provided to OMB by the Executive Director-Comptroller by 15 September 1971, as prescribed by the Circular.

Each Deputy Director and independent office head will be responsible for developing a plan by 30 June 1972 to accomplish the required adjustment of one tenth of a grade among his career services. Each plan should be

patterned realistically and procedures developed to achieve the objectives. These plans will be submitted to the Executive Director-Comptroller not later than 3 September for approval and incorporation into the Agency-wide plan. Format A (attached) should be used to report the statistical elements of the plan.

The Director of Personnel will monitor throughout the year all actions affecting the average grade of employees in Career Services and check the validity of and compliance with the plan. Any adverse trends will be reported to the Deputy Director concerned. The Director of Personnel will not process any actions believed to jeopardize achievement of the required reduction in average grade and will report regularly to the Executive Director-Comptroller on progress.

IV Procedures

A. Each Career Service Head will submit a Career Service Personnel Plan for fiscal year 1972 as prescribed above. Such plan will consist of the following:

1. Number of people by grade as of 30 June 1971. This will provide average grade as of this date (Office of Personnel will provide).
2. Less: number of people expected to separate by grade. (This includes resignations, retirements and changes of career service designations. Office of Personnel will be available for consultation and aid.)
3. Plus: number of planned EOD's and conversions to the Career Service by grade.
4. Plus and minus: planned promotions by grade (each promotion is a gain to the grade promoted as well as a loss to the grade from which promoted).

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5. Total planned Career Service by grades. This will provide estimated average grade as of 30 June 1972. (Must be one tenth of a grade less than in subparagraph 1 above.)

B. All pending promotions will be deferred until an Agency Career Service Plan for FY 1972 is approved by the Director.

V

Items for Career Service Consideration

A. The key variables that affect the average grade of employees are separations, accessions and promotions. Experience indicates that the combined accession and separation actions tend to lessen the average grade but not usually to a sufficient degree to offset the increase created by promotions. The attrition effect is maximized by hiring at lower grades and resigning or retiring employees in higher grades. The number of promotions that can be granted will be controlled by the attrition grade decrease and the planned reduction goal.

B. All positions GS-11 and above that become vacant should be carefully reviewed as to need before reencumbering.

C. The organizational structure of each unit should be reviewed to determine if existing staffing patterns are still appropriate in view of program changes.

D. Attention should be given to supervisory levels, with particular attention to the extent of "layering" and the need for Deputies or Assistants.

E. Each position that becomes vacant should be evaluated to determine whether it could be eliminated or restructured at a lower grade.

F. Staffing of new programs should be planned in a manner that will tend to lower the average grade.

G. The feasibility of using technicians where professional staff is not being utilized at their full skill level should be explored.

H. Promotions above the journeyman level should be limited to those necessary to fill vacancies in positions of greater responsibility.

I. Work should be reorganized so that it can be accomplished with lower grade employees.